



Montana Department of **LABOR & INDUSTRY**

Commissioner's Office

Contact Casey Kyler-West, Communications Director

E-mail: ckylervest@mt.gov

Telephone: (406)444-1520

Fax: (406)444-1394



Date 11-28-12

For Immediate Release:

Montana Employers will see a Decrease in Their 2013 Unemployment Insurance Rates

(Helena, MT) The Department of Labor and Industry announced today that the Unemployment Insurance Contribution Rate Schedule will be adjusted from schedule 7 to schedule 6, resulting in a decrease in many Montana employer's contribution rates for 2013. "This is good news for Montana employers, both large and small, as we continue our economic recovery in the state", said Labor Commissioner Keith Kelly. "UI benefits provide a critical financial safety net for Montana's unemployed workers, and as more Montanans return to work the demand for those benefits decreases, in turn lowering the rate schedule."

During the recession Montana Employers saw an increase in their contribution rate schedules. Each year a statutory formula is used to determine employer contribution rates for the next calendar year. Legislation, initially passed in 1979, requires the automatic rate adjustment. There are 11 schedules as provided by law and the rates are decreasing from schedule 7 to schedule 6. The contribution rates in 2013 will average 2.12% as compared to 2.32% in 2012.

Throughout the recession, Montana has been one of only 18 states in the U.S. to maintain a positive UI Trust Fund balance. This means through careful management, and the timely contributions from Montana businesses, Montana did not have to borrow from the federal government in order to continue paying state UI benefits. Many states are now in the position of requiring additional taxes from employers in order to pay back loans to the federal government and achieve solvency for their trust fund accounts.

"Our statutory unemployment Rate Schedule is doing exactly what it is designed to do, provide for benefits during economic downturns, while rebuilding the fund as the economy grows", said Unemployment Insurance Administrator Roy Mulvaney. Some employers will not experience a rate decrease as individual rates are based on an employer's overall unemployment rate history.

Individual employer rate information will be mailed in mid-December. For general information on UI rates, please visit: <http://uid.dli.mt.gov>.

####